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2.01: Eligibility of Candidates to Take Examination

(1) Persons desiring to take the examination for qualification as a certified public accountant should apply on a form provided by the Board, or its designated examination administrator. The forms are obtainable from the Board's examination administrator's offices. Different forms and instructions will be provided for original examinations and for re-examinations.

(2) In order to sit for the Computer Based Examination (CBT), a candidate must be 18 years of age or older and must qualify for the CBT under the educational requirements of 252 CMR 2.07(2). After January 1, 2007, candidates may qualify to sit for the CBT when they have completed 120 of the 150 semester hours (or 180 of the 225 quarter hours) of college or university education from a nationally or regionally accredited institution approved by the Board as required by 252 CMR 2.07(2), where the successful completion of 120 semester hours (or 180 quarter hours) results in obtaining a bachelor's degree. The completed 120 semester hours (or 180 of the 225 quarter hours) necessary to sit for the CBT must include 21 semester hours of accounting courses, including coverage in financial accounting, auditing, taxation, and management accounting, and 9 hours of business courses, including coverage in the areas of business law, finance, and information systems. Candidates who sit for the CBT prior to the completion of the 120 semester hours (or 180 quarter hours) of college or university education shall, within 90 days of sitting for the CBT provide a certified transcript to the Board or its designated exam administrator demonstrating that they have successfully completed 120 of the 150 required semester hours (or 180 of the 225 quarter hours) of college or university education from a nationally or regionally accredited institution approved by the Board as required by 252 CMR 2.07(2), where the successful completion of 120 semester hours (or 180 quarter hours) results in obtaining a bachelor's degree. Failure to provide said certified transcript within the 90 day period described above shall result in the loss of any credit received for any part of the exam passed prior to providing said certified transcript.

2.02: Times and Places of Examinations

The procedures for the Computer Based Examination (CBT) and its availability are described in 252 CMR 2.00. For all examinations, the applications must be accompanied by a payment for the prescribed fee. Candidates whose applications are approved by the Board or its designee will receive a notice of the place, date and hours of such examinations. The Board, in its discretion, may permit an applicant who is a resident of the Commonwealth of Massachusetts to sit for the examination in another state; the taking of such examination by such applicant, however, shall be under the jurisdiction of this Board and subject to 252 CMR.

2.03: Administration and Grading of Examinations

The Board has adopted and makes use of the examinations (Uniform CPA Examination) and advisory grading service provided by the Board of Examiners of the American Institute of Certified Public Accountants (AICPA).

2.04: Subject Matter of Examinations

The CBT consists of four sections. The titles of the CBT sections are: Auditing and Attestation; Financial Accounting and Reporting; Regulation; and Business Environment and Concepts.

2.05: Recognition of Full or Partial Credits Granted by Other States

Recognition will be given to satisfactory completion of one or more subjects given by a licensing authority in another state, if the examination given by the licensing authority in the other state was the Uniform CPA Examination established by and graded as passing by the Board of Examiners of the AICPA, provided that conditional credit would have been given under 252 CMR 2.06 had the examination been taken in Massachusetts.

2.06: Granting of Full or Partial Credits to Candidates Who Pass Examination in One or More Subjects; Re-examination:

(1) Passing the Computer Based Examination.

(a) A candidate may take the required test sections individually and in any order. Credit for any test section(s) shall be valid for 18 months from the actual date the candidate took the test section, without having to attain a minimum score on any failed test sections(s) and without regard to whether the candidate has taken other test sections.

(b) Candidates must pass all four test sections of the Uniform CPA Examination with a grade of 75 or higher within a rolling 18 month period, which begins on the date that the first test section(s) that is passed is taken.

(c) Candidates cannot retake a failed test section(s) in the same examination window. An examination window refers to a three-month period in which candidates have an opportunity to take the CPA examination composed of two months in which the examination is available to be taken and one month in which the examination will not be offered, while routine maintenance is performed and the item bank is refreshed. Thus, candidates will be able to test two out of the three months within an examination window.

(d) In the event all four test sections of the CBT are not passed within the rolling 18 month period, credit for any test section(s) passed outside the 18 month period will expire and test section(s) must be retaken.

(e) A candidate shall be deemed to have passed the CBT once the candidate possesses at the same time valid credit for passing each of the four test sections of the CBT within the time frame described above. For purposes of 252 CMR 2.06(3), credit for passing a test section of the CBT is valid from the actual date of the testing event for that test section, regardless of the date the candidate actually receives notice of the passing grade.

(2) Military Service. The time limitations within which a candidate is required to pass subjects under 252 CMR 2.06(2) shall not include any period during which the applicant is on active duty in the Armed Services of the United States.

(3) Examination Results. The Board or its designee will advise a candidate whether the candidate has passed all or any part of the examination.

2.07: Education, Experience and Other Requirements for Issuance of Certificate as Certified Public Accountant

(1) Formal Application. An applicant for a Certificate as a Certified Public Accountant who has passed the examination set by the Board must file with the Board a formal application for such certificate, accompanied by payment of the required fee. A form for application may be obtained from the offices of the Board. An applicant must also submit an official certification of completion of 150 semester hours from the Board's designated exam administrator or an official transcript from colleges or universities as provided in 252 CMR 2.07(2)(a), experience letter(s) from employer(s) as provided in 252 CMR 2.07(2)(b), and three letters from employers, business associates or clients attesting to the applicant's character and fitness. A recent un-mounted passport-size photograph must also be attached.

(2) Education and Experience Requirements. An applicant for a Certificate as a Certified Public Accountant who sat for the CBT with 120 hours of education and who has successfully passed the examination, and qualifies otherwise in the opinion of the Board, shall receive a certificate as a certified public accountant upon satisfying the Board that the applicant, within three years of the date on which the applicant receives notice that he or she has passed all parts of the CBT, meets the below requirements of education and experience. Failure to meet the below requirements of education and experience within three years of the date on which the applicant receives notice that he or she has passed all parts of the CBT shall result in the expiration of the applicant's credit for passing all parts of the CBT, and all parts of the CBT must be retaken and passed before becoming eligible again for a certificate as a certified public accountant. Candidates for certification as a Certified Public Accountant who sat for the CBT under the provisions of 252 CMR 2.01 shall submit to the Board a certification provided by the Board's designated exam administrator that the candidate has successfully met the 150 hour education requirement. All other candidates shall submit official transcripts from colleges or universities as provided in 252 CMR 2.07(2)(a).

(a) Education Requirements: A candidate for a Certificate as a Certified Public Accountant shall Complete 150 semester hours (225-quarter hours) of college or

university education to include a bachelor's degree from a nationally or regionally accredited institution approved by the Board. For the purposes of determining equivalence of quarter hours, 4½-quarter hours will equal three credit hours. The Board will review successful completion of three-quarter hour courses; provided that the accounting and business course requirements total 36-quarter hours each.

The candidate must have completed the 150-hour education requirement for eligibility for a Certificate as a Certified Public Accountant in accordance with one of the following four provisions. Associate Degree/Junior College courses will be accepted only if transferred into a four year bachelor's degree program:

1. Earned a graduate degree in accounting from a program at a nationally or regionally accredited college or university approved by the Board that is further accredited by the AACSB – The International Association for Management Education (AACSB). Programs not accredited by AACSB must be approved by the Board as having substantially equivalent educational program requirements. The Board, or an Educators Credential Committee appointed by the Board, will review the graduate accounting programs of a nationally or regionally accredited college or university to determine if such programs are substantially equivalent to AACSB standards, upon a written request from such college or university. The Educators Credential Committee will consist of at least three accounting educators selected by the Board from the faculty of nationally or regionally accredited educational institutions located in the Commonwealth of Massachusetts;
2. Earned a graduate degree in accounting, business administration or law from a nationally or regionally accredited college or university approved by the Board. This degree must include 30 semester hours (45-quarter hours) of accounting at the undergraduate level, or 18 semester hours (27 quarter hours) of accounting at the graduate level, or an equivalent combination thereof. The accounting credits shall include coverage in financial accounting, auditing, taxation, and management accounting. In addition, the degree must include or be supplemented by, 24 semester hours (36 quarter hours) of business courses (other than accounting courses) at the undergraduate level or 18 semester hours (27 quarter hours) at the graduate level, or an equivalent combination thereof;
3. Earned at least a bachelor's degree in business from a nationally or regionally accredited college or university approved by the Board. This degree must include 30 semester hours (45-quarter hours) of accounting courses. The accounting credits shall include coverage in financial accounting, auditing, taxation, and management accounting. In addition, the degree must include, or be supplemented by, 24 semester hours (36-quarter hours) of business courses other than accounting courses. These business courses shall include coverage in the areas of business law, information systems, finance, and coverage in at least one of the areas of economics, business organizations, professional ethics, and/or business communication; or
4. Earned a bachelor's degree from a nationally or regionally accredited college or university approved by the Board. This degree must include, or be supplemented by, 30

semester hours (45-quarter hours) in accounting courses at the undergraduate level. The accounting credits shall include at least three semester hours in each of the subject areas of financial accounting, auditing, taxation, and management accounting. In addition, the degree must include, or be supplemented by, 24 semester hours (36-quarter hours) of business courses at the undergraduate level, to include at least three semester hours in the subject areas of business law, business information systems, professional ethics and finance. Courses in business management of organizations, economics, and/or business communication may be included for the business course requirements.

(b) Experience Requirements.

1. All applicants for a Certificate as a Certified Public Accountant who have not completed 1000 hours in the public accounting report function on full disclosure financial statements, of which not more than 300 hours may consist of full disclosure compilations, must comply with the requirements of 252 CMR 3.02(5). Failure to comply with the above 1000 hour requirement or the requirements of 252 CMR 3.02(5) shall restrict the privilege of the license to providing all accounting services except issuing reports on financial statements. Applicants for the certificate must document the 1000 hour requirement by submitting to the Board a letter or statement from each public accounting firm or government employer in which the experience was obtained over the most recent period of the applicant's experience of the length required. The statement describing the applicant's experience shall be attested to, under the pains and penalties of perjury, by a partner, shareholder or member of such public accounting firm(s) or by the government supervisor.

2. Applicants meeting the educational requirements of 252 CMR 2.07(2)(a)(3) and 252 CMR 2.07(2)(a)(4) shall be required to have at least one year of experience in the full time practice of public accounting (1820 total hours required). The experience shall have been in public practice or its governmental/non-public accounting equivalent, as set forth in 252 CMR 2.07(5). Applicants must submit to the Board a letter or statement from each public accounting firm or government/non-public employer in which the experience was obtained, describing the type and exact dates of experience, signed under the pains and penalties of perjury by a partner, shareholder or member of such public accounting firm, government supervisor or CPA supervisor of non-public experience.

(3) Exceptions to Education and Experience Requirements. A candidate who sat for the paper based examination without complying with the educational requirements of 252 CMR 2.07(2)(a)(1) through 252 CMR 2.07(2)(a)(4) may qualify for issuance of a Certificate as a Certified Public Accountant if the applicant has had at least three years of experience in the full time practice of public accounting (5,460 total hours required) or obtains the education requirements of 252 CMR 2.07(2)(a)(1) through 252 CMR 2.07(2)(a)(4).

(4) Calculation of Full-time Experience. The Board will provide credit for full-time experience as a practicing public accountant only if such full-time experience extends over an uninterrupted period of two months or more with a minimum of 35 hours worked

per week in conformity with 252 CMR 2.07(2)(b)(2). The Board will provide credit for part-time experience only if such part-time experience extends over an uninterrupted period of two months or more with a minimum of 20 hours worked per week in conformity with 252 CMR 2.07(2)(b)(2), such credit to be granted only for experience in public accounting calculated on the basis of hours actually devoted to such qualifying part-time experience. For this purpose, sickness and legal holidays do not interrupt what would otherwise be uninterrupted service. Commencing on December 1, 2002, the Board will provide credit for:

(a) full-time experience in the government or non-public accounting equivalent described in 252 CMR 2.07(5), only if such full-time experience extends over an uninterrupted period of 12 months or more with a minimum of 35 hours worked per week in conformity with 252 CMR 2.07(2)(b)(2);

(b) or part-time experience only if each part-time experience extends over an uninterrupted period of 12 months, with a minimum of 20 hours per week, calculated on the basis of hours actually devoted to such qualifying part-time experience.

(5) Government/Non-Public Accounting Experience.

(a) The Board, in its discretion, may grant credit of one year of requisite experience for non-public accounting work or non-audit government work under the direct supervision of a Certified Public Accountant, for every three full years of service in a position having a responsibility level above entry-level, provided that, in the opinion of the Board, such experience is substantially equivalent to that of public accounting practice.

(b) The Board, in its discretion, may grant credit for field audit work, including the direct supervision of field audit work, with the United States Government or any agency or subdivision of the commonwealth with a demonstrated emphasis on the expression of opinions on financial statements in accordance with generally accepted auditing standards, the review of and report on internal controls, the application of varied auditing procedures, the preparation of audit working papers for account examinations, the planning of auditing work programs, the preparation of written explanations and comments on examination findings and the preparation and analysis of financial statements. The experience required by this clause, as approved by the board, shall be considered work experience on the same basis as experience in public accounting practices; provided, however, that adherence to the standard of independence is strictly applied.

(6) Waiving Requirements Before Examination. Applicants who qualify in other respects may sit for the examination before satisfying the experience requirements of 252 CMR 2.07(2)(b).

(7) Rejection of Application. If an application for a certificate is rejected by the Board for insufficient experience or other cause, the applicant, at any later time, may request the Board to reconsider the application if the deficiencies have been removed.

2.08: Reciprocity for Persons Qualified in Other States and/or Canada and Other Jurisdictions

(1) Licensure by Reciprocity:

- (a) United States or United States Territories Licensees: Upon completion of the application and payment of the fee therefore the board shall issue a Commonwealth of Massachusetts certificate to a holder of a certificate issued by another state upon a showing that:
 - (1) The applicant passed the examination required for issuance of his certificate with grades that would have been passing grades at the time in the Commonwealth; and
 - (2) The applicant:
 - (a) meets all current requirements in the Commonwealth for issuance of a certificate at the time application is made; or
 - (b) at the time of the issuance of the applicant's certificate in the other state, met all such requirements then applicable in the Commonwealth; or
 - (c) had five years of full time experience in the practice of public accountancy after passing the examination upon which his certificate was based and within the ten years immediately preceding his application.
 - (3) The above requirements shall be demonstrated in accordance with the following provisions:
 - (a) The applicant for licensure by reciprocity shall produce, attached to the application, a copy of his or her valid certificate or license as a Certified Public Accountant, and;
 - (b) The certificate or license as a Certified Public Accountant must be issued by a state which the NASBA (National Association of State Boards of Accountancy) National Qualification Appraisal Service has verified to be in substantial equivalence with the Certified Public Accountant licensure requirements of the AICPA/NASBA Uniform Accountancy Act, or
 - (c) If the certificate or license as a Certified Public Accountant was not issued by a state which the NASBA National Qualification Appraisal Service states is not in substantial equivalence, the applicant must:

- (a) meet all current requirements in the Commonwealth for issuance of a certificate at the time application is made; or
 - (b) at the time of the issuance of the applicant's certificate in the other state, have met all such requirements then applicable in the Commonwealth; or
 - (d) The applicant must demonstrate that he or she has met the education requirements of 252 CMR 2.01 and has been engaged in the full time practice of public accountancy as a licensed Certified Public Accountant in said state for five of the ten years preceding the date of application for Commonwealth of Massachusetts reciprocal licensure.
- (b) Canadian Chartered Accountants: Canadian Chartered Accountants (CA) who have successfully completed the Canadian Uniform Final Examination are not required to complete the Uniform CPA Examination in order to achieve the CPA designation. CA applicants for reciprocity shall meet the following requirements:
- (1) CA applicants shall have passed the International Uniform CPA Qualification Examination (IQEX) designed to ensure that they have satisfactory knowledge of relevant U.S. legislation, standards, and practices. In addition to passing IQEX, licensure applicants must satisfy the requirements of 252 CMR 2.07(2)(b) regarding experience in order to obtain the CPA designation.
 - (2) CA applicants must hold a valid, current license to practice in Canada.
 - (3) CA applicants shall furnish written credentials in regard to education, character, and general qualifications in the same form as is required of all other applicants.
- (c) Other Foreign Licensed Chartered Accountants: The Board in its discretion and on a case by case basis, will accept applications for other foreign licensed Charter Accountants or CPAs to sit for and pass the IQEX and apply for reciprocity based upon their compliance with the education and experience requirements of 252 CMR 2.07. All applicants must hold a current license to practice in these other jurisdictions. These applicants shall furnish written credentials with regard to character and general qualifications in the same form as is required for all other applicants.

